CYPRESS HEALTH REGION

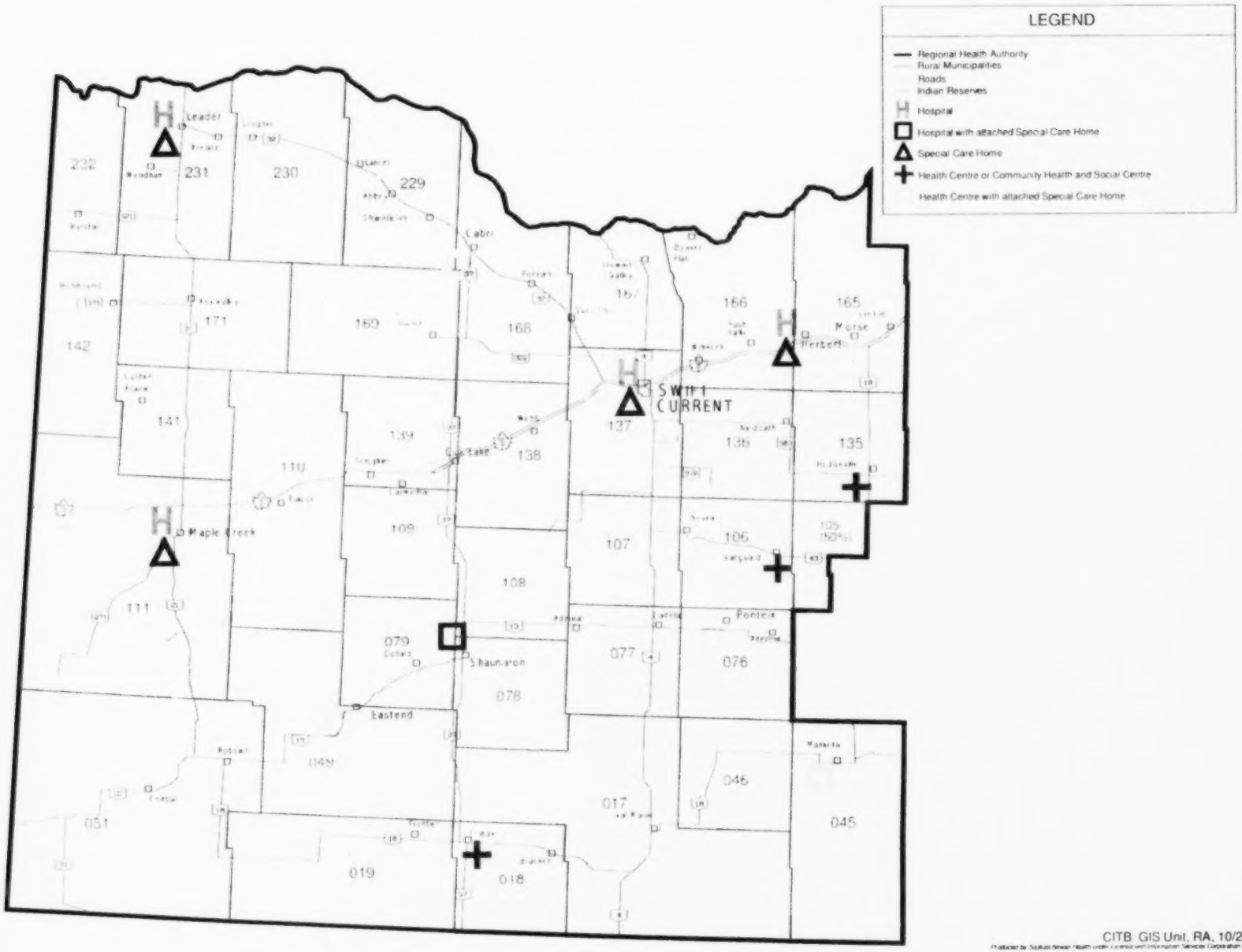
Annual Report For the Year Ending March 31, 2003

Together - Your Health, Our Future

Saskatchewan Health

Cypress Regional Health Authority

(2002 Population 45,287)



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LETTER OF TRANSMITTAL

The Honourable John T. Nilson, Q.C.
Minister of Health
Government of Saskatchewan
Legislative Building
REGINA, Sask. S4S 0B3

Dear Minister Nilson:

It is my pleasure, on behalf of the Cypress Regional Health Authority, to present to you the Annual Report for the period ending March 31, 2003, in accordance with *The Regional Health Services Act* and *The Tabling of Documents Act*

Together – Your Health, Our Future

Dennis Lafreniere
Chairperson
Cypress Regional Health Authority

CYPRESS HEALTH REGION

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GREETINGS FROM THE CHAIRPERSON & CHIEF EXECUTIVE OFFICER

With the provincial government's proclamation of *The Regional Health Services Act* on August 1, 2002, the former Rolling Hills, Southwest, and Swift Current Health Districts were amalgamated into the Regional Health Authority #3. Shortly thereafter, this health authority became officially known as the **Cypress Health Region**.

On behalf of the Cypress Regional Health Authority, it is our pleasure to present the first ever Annual Report for our newly formed organization.

During the eight-month timeframe of August 1, 2002 to March 31, 2003, the Cypress Regional Health Authority and its administration have been diligently striving to integrate the operations of three entities into one. An organizational structure has been created that will direct the plans for the future provision of quality and accessible health programs and services.

As this has been taking place, the staff, physicians, and other health care providers have continued to provide quality health care services in a variety of facility-based and community-based settings. We would like to acknowledge our employees, medical staff, management and volunteers for their diligent work and commitment to providing quality client-based health services.

Similar to the other health authorities in the province and across Canada, the Cypress Health Region is facing a number of obstacles that will create the need to be innovative and efficient within the resources – human and financial – that we have. We continue to be met with increasing costs of doing business, health professional recruitment and retention issues, and the ongoing advances in medical equipment and technology.

However, in conjunction with the provincial government's *Action Plan for Saskatchewan Health Care*, we have established an operational plan for the upcoming year that will see our efforts focused on four major goals. These targets include: improved access to quality health services; effective health promotion and disease prevention; retaining/recruiting/training health providers; and, a commitment to quality, efficiency, and accountability.

We look ahead to the 2003-04 fiscal year with excitement, as we will be constructing a new regional hospital that will work in conjunction with our community hospitals in providing a wide range of general and specialized acute care services. The development of primary care networks will allow our physicians, nurses, therapists, and other front-line providers to work together in meeting the needs of clients. We will continue to develop innovative approaches to recruiting and retaining nurses, general practitioner and specialty physicians, and other health care professionals.

Finally, the success of our health region cannot be sustained without community involvement and public support. We will continue to seek community input in the future design of the health system. We are confident that with mutual understanding and cooperation, we will be able to provide sustainable and accessible quality health care according to the needs of the residents of southwest Saskatchewan.

Dennis Lafreniere
Chairperson, Cypress Regional Health Authority

Andrew Will
Chief Executive Officer

STRATEGIC FRAMEWORK

The Cypress Health Region is supportive of the provincial government's *Action Plan for Saskatchewan Health Care* strategic direction. With this in mind, the Regional Health Authority developed a series of strategic statements that reflect the *Action Plan's* provincial approach to continuous improvement and our commitment to health care quality for the people of southwest Saskatchewan.

The health region is committed to quality, accountability and continuous improvement in the delivery of publicly funded health care.

OUR VISION

- ***Together – Your Health, Our Future***

OUR VALUES

- **Quality Compassionate Care**
- **Integrity and Accountability**
- **Innovation and Learning**
- **Shared Responsibility for Improving Health**
- **Respect for Diversity**

OUR GOALS AND OBJECTIVES

- **Improved access to quality health services.**
  - *Responsive, Coordinated Primary Health Care*
  - *Reduce waiting times for surgical procedures*
  - *Improve emergency medical care*
  - *Improved hospital, specialized services, and long term care*

- **Effective health promotion and disease prevention.**
  - *Better promotion of health and disease prevention*
  - *Improve the health of populations at risk*

- **Retain, recruit, and train health providers.**
  - *Improve utilization and availability of health human resources*
  - *Develop representative workplaces*
  - *Create healthier, more effective work places.*

- **A sustainable, efficient, accountable and quality health system.**
  - *Ensure quality, effective health care*
  - *Appropriate governance, accountability, and management for the health sector*
  - *Sustain publicly funded and publicly administered Medicare*

Cypress Regional Health Authority

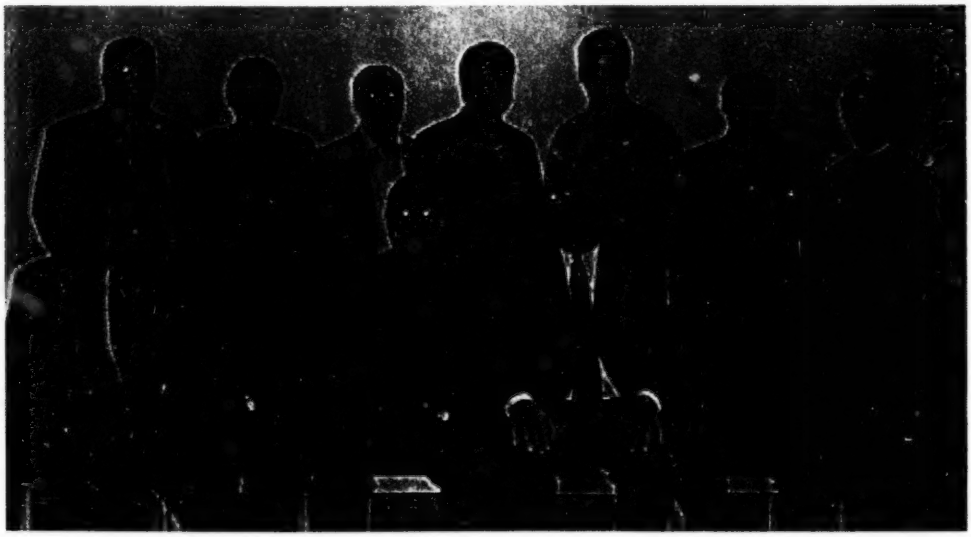
The Regional Health Authority #3 was established on August 1, 2002 with the proclamation of *The Regional Health Services Act.* The Authority assumed the operations of the former Rolling Hills, Southwest, and Swift Current Health Districts as of this date.

Twelve individuals were appointed by the Minister of Health to become members of the Regional Health Authority. They included the following:

* * Dennis Lafreniere, Chairperson
  Jim Benison
  Lois Donnelly
  Betty Goddard
* * Ron Johnson
* * Dean Smith
* * Dolores Tumbach, Vice-Chairperson
* * Bruce Deg
* * Barry Elderkin
  Ron Heeg
* * Allan MacArthur
* * Alma Thibault

NOTES:

1. 1.*"*" refers to those members who were previous District Health Board members*
2. Dolores Tumbach resigned in October 2002 for health reasons. Shirley Etter was appointed as the newest RHA member in January 2003.
3. Jim Benison was appointed Vice-Chairperson in January 2003.



Back row, from left to right: Andrew Will (CEO), Allan MacArthur, Ron Johnson, Barry Elderkin, Bruce Deg, Ron Heeg, Betty Goddard.

Front row, from left to right: Alma Thibault, Dean Smith, Dennis Lafreniere (Chairperson), Minister of Health John Nilson, Jim Benison (Vice-Chairperson), Lois Donnelly

Not pictured: Shirley Etter

103-06617/

The Regional Health Authority (RHA) guides the overall strategic direction of the health region. Specifically, they are responsible for strategic planning, fiscal management and reporting, building and maintaining key relationships with stakeholders, quality management initiatives, monitoring/evaluating and reporting, monitor the management and performance of the Authority and Chief Executive Officer.

The RHA has created three sub-committees to specifically deal with matters of interest as they pertain to their strategic responsibilities. These include:

- ★ ***Executive Committee*** – RHA policy, strategic accountability, performance monitoring, meeting structure;
- ★ ***Resource & Accountability Committee*** – finance, audit, accreditation, human resources, capital and facilities;
- ★ ***Services & Partnership Committee*** – quality care initiatives and monitoring, client safety, community advisory networks, public relations, and medical affairs.

Public accountability and accessibility are key values that the RHA believes in. To this end, they exercise a variety of methods that allow for the public to become aware of the internal dealings of the RHA:

- ★ Monthly RHA meetings are open to the public to attend and observe.
- ★ RHA meeting highlight summaries are distributed throughout the Region on a monthly basis.
- ★ Presentations to municipal councils, community service groups, community trust committees, and the general public by senior management personnel.
- ★ Development and availability of the *Annual Report* document.

The RHA is involved in a contractual relationship with a number of organizations, which in turn provide services that reflect the health region's goals and objectives. These contracts have been transferred during the amalgamation of the former health districts, and the working relationship is positive.

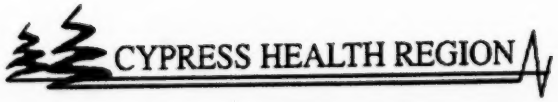
- ★ ***Herbert Nursing Home*** – affiliate organization; provide long term care services in the community of Herbert.
- ★ ***Foyer St. Joseph*** – affiliate organization, who provides long term care programming in the community of Ponteix.
- ★ ***Private Ambulance Service Operators*** – Frontier, Gull Lake, Swift Current, Wald, and Val Marie.
- ★ ***McKerracher Support Services Inc.*** – provider of independent living services for individuals suffering from a long term mental illness.
- ★ ***Canadian Mental Health Association*** – provider of day programming for individuals suffering from long term psychiatric disorders.
- ★ ***Dr. Noble Irwin Regional Healthcare Foundation*** – arm's length fundraising non-profit organization, who participate in fundraising campaigns targeting health region-wide capital equipment and furnishings, employee education and skills enrichment opportunities, and community development.

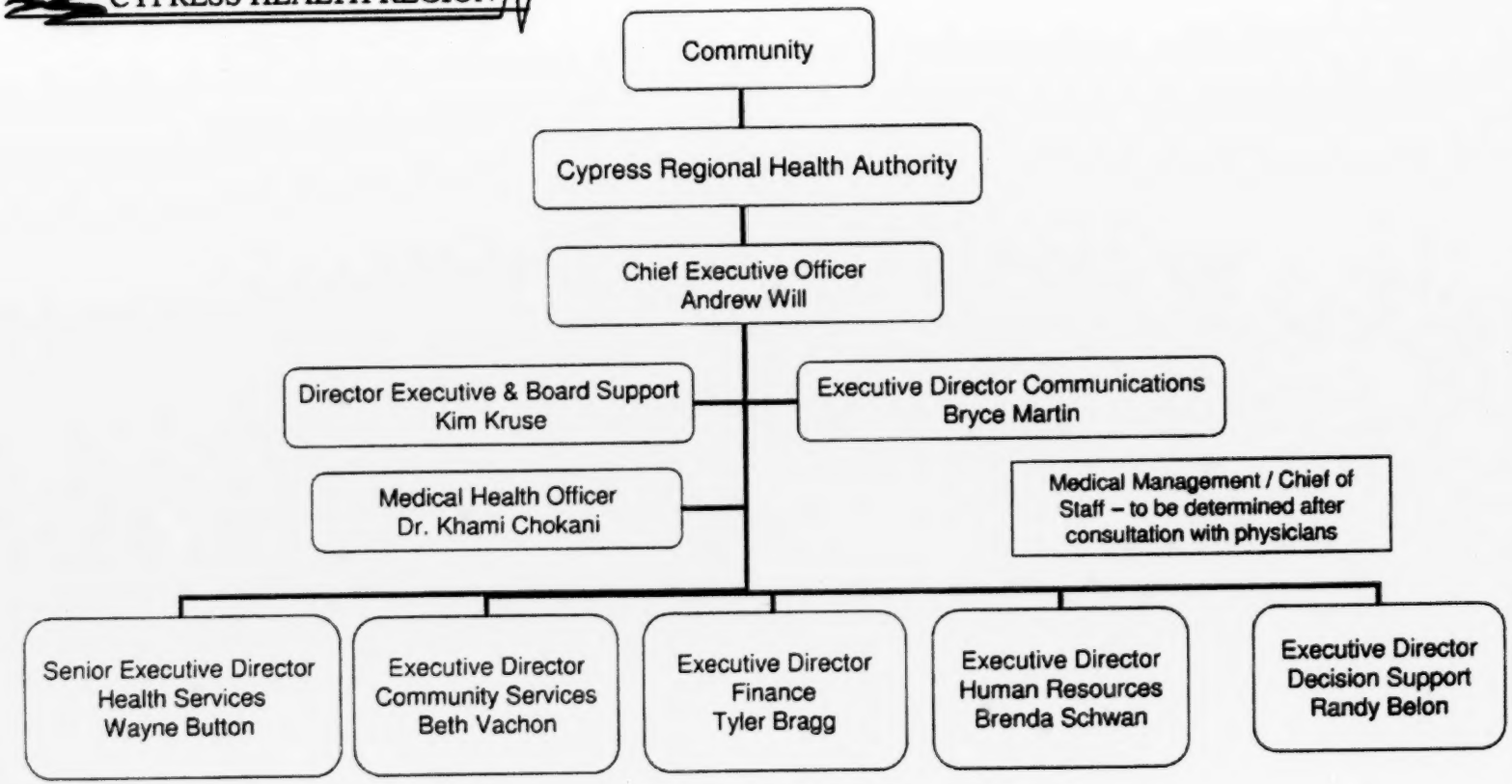
"At A Glance" **10 School Divisions 65 Schools**

Administration

The Cypress Regional Health Authority appointed a Chief Executive Officer, who is responsible for the general operations and day-to-day administrative organization of the health region. In turn, the Chief Executive Officer has established a Senior Management Team consisting of the following positions:

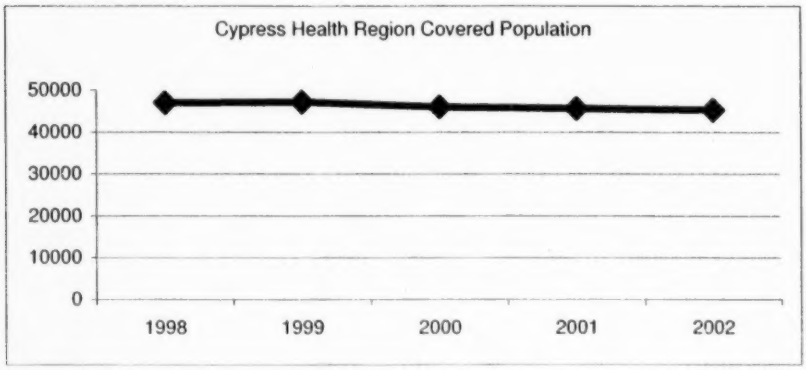
- ❖ ***Senior Executive Director of Health Services*** – responsible for the delivery of primary care, acute care, long term care, home care, health centres, and emergency services.
- ❖ ***Executive Director of Community Services*** – responsible for the delivery of all community-based services, including public health, mental health/addictions, community rehabilitation.
- ❖ ***Executive Director of Finance*** – responsible for financial management of the region, including accounting services, financial reporting, budget processes, payroll, materials management, information technology, and district support services.
- ❖ ***Executive Director of Human Resources*** – responsible for providing support for the management of human resources to include recruitment/retention/training, labour relations, abilities management, staff education, benefits, scheduling, and occupational health/safety.
- ❖ ***Executive Director of Decision Support*** – responsible for measuring population health needs and the effectiveness of health services delivery; utilization management, population health research, continuous quality improvement, health records, accreditation, risk management.
- ❖ ***Executive Director of Communications*** – responsible for the planning and development of effective communications throughout the organization and to external stakeholders; media relations, public relations, newsletter development, creation of major reports, coordinates Community Advisory Networks.
- ❖ ***Director of Executive and Board Support*** – responsible for the provision and coordination of clerical and reception services for the health region management team.


CYPRESS HEALTH REGION


Community
Cypress Regional Health Authority
Chief Executive Officer
Andrew Will
Director Executive & Board Support
Kim Kruse
Executive Director Communications
Bryce Martin
Medical Health Officer
Dr. Khami Chokani
Medical Management / Chief of Staff – to be determined after consultation with physicians
Senior Executive Director
Health Services
Wayne Button
Executive Director
Community Services
Beth Vachon
Executive Director
Finance
Tyler Bragg
Executive Director
Human Resources
Brenda Schwan
Executive Director
Decision Support
Randy Belon

Population of the Cypress Health Region

Generally, as in many rural and remote areas of Saskatchewan, the population of the Cypress Health Region demonstrates a slow decline since 1999. According to the Saskatchewan Health *2002 Covered Population*, there were 45,287 people living within the boundaries of the health region.



"At A Glance"

The Cypress Health Region is also characterized by an extremely dispersed population, which is emphasized even further when the City of Swift Current's population is removed from the total. Vast distances, a sparse population and the limited number of health professionals willing to practice in remote locations all combine to produce challenges for efficient care delivery in southwest Saskatchewan. However, as the following indicators demonstrate, the overall health status of residents of the Cypress Health Region is extremely good.

Health Status of Cypress Health Region Residents

"At A Glance"

According to global health indicators that measure the health status of an entire population, the Cypress Health Region is home to some of the healthiest people in Saskatchewan. The Cypress Health Region has the lowest infant mortality and person years of life lost rates in the province, and its residents have the longest life expectancy at birth and the greatest disability free life expectancy at both birth and at age sixty-five.

Population 45,287
Annual Operating Budget
$70,641,896.00
Employees 1,700

✔ ***Infant Mortality***

The Cypress Health Region has the lowest infant mortality rate of any health region in Saskatchewan and this is reflective of a positive global health status for the region. As well, the infant mortality rate in the Cypress Health Region is substantially lower than the provincial average.

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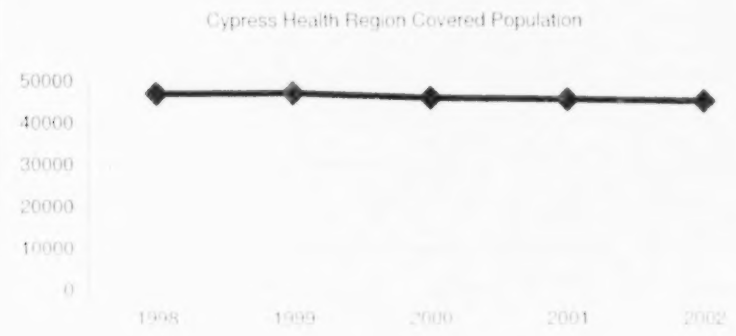

"At A Glance"

43 - Towns/Villages
1 - City
35 - Rural Municipalities
1 - First Nations
27 - Hutterite Colonies

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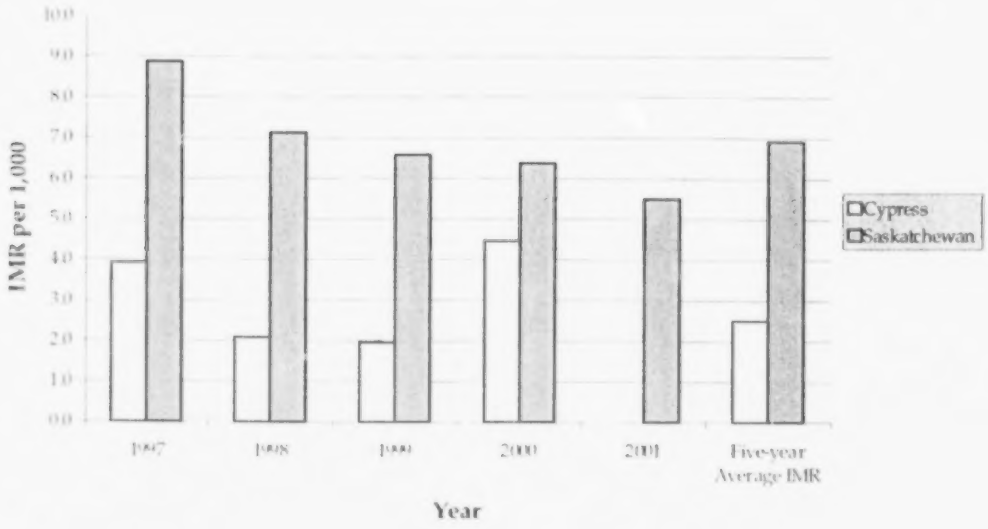
Infant Mortality Rates in Cypress and Saskatchewan, 1997-2001



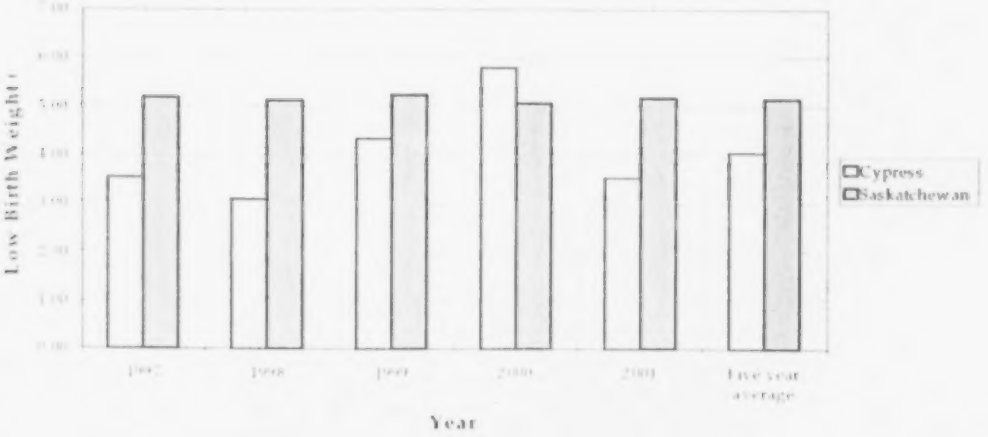
"At A Glance"

✔ ***At-Risk Birth Weight***

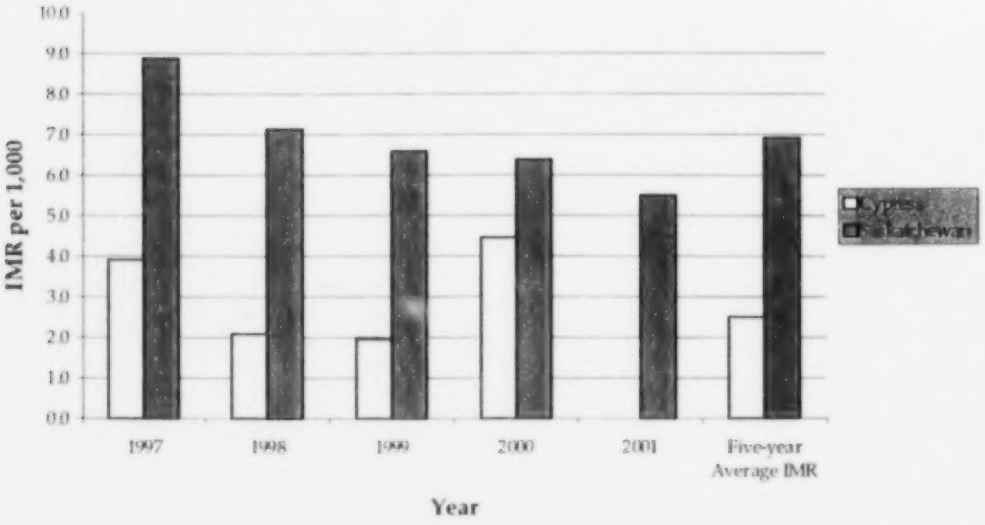
"At-risk" birth weight includes low birth weights greater than 500g and less than 2,500g, as well as high birth weights heavier than 4,000g. Data for heavier weights are not currently available and therefore, the information presented here deals only with low weight births. The Cypress Health Region has the third lowest rate of low birth weights in the province, and is well below the average provincial rate for low weight births.

Physicians
36 General Practitioners
16 Specialists
10 Visiting Specialists

Low Birth Weight (%) in Cypress Regional Health Authority, 1997-2001



Infant Mortality Rates in Cypress and Saskatchewan, 1997-2001



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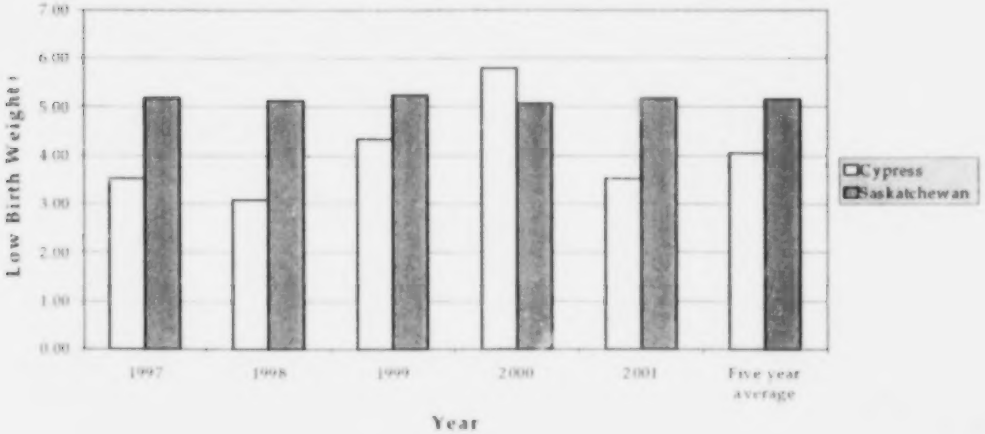
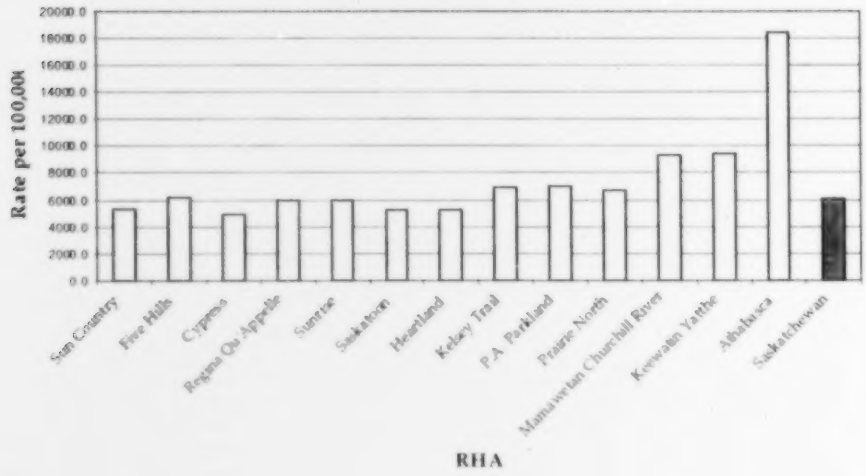


✔ ***Potential Years of Life Lost***

Potential years of life lost (PYLL) is calculated by determining the difference between age 75 and the age of an individual's death (if less than age 75). Therefore, PYLL is a measure of premature mortality. Again, the Cypress Health Region has the best provincial showing regarding this indicator as it has the lowest PYLL of any RHA in the province and is below the provincial average.

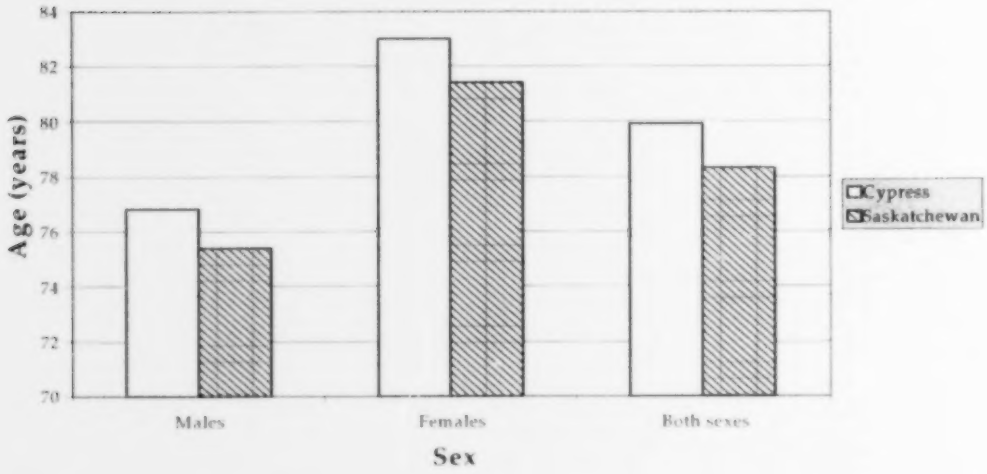
Average PYLL, both sexes, by RHA, 1995-1999



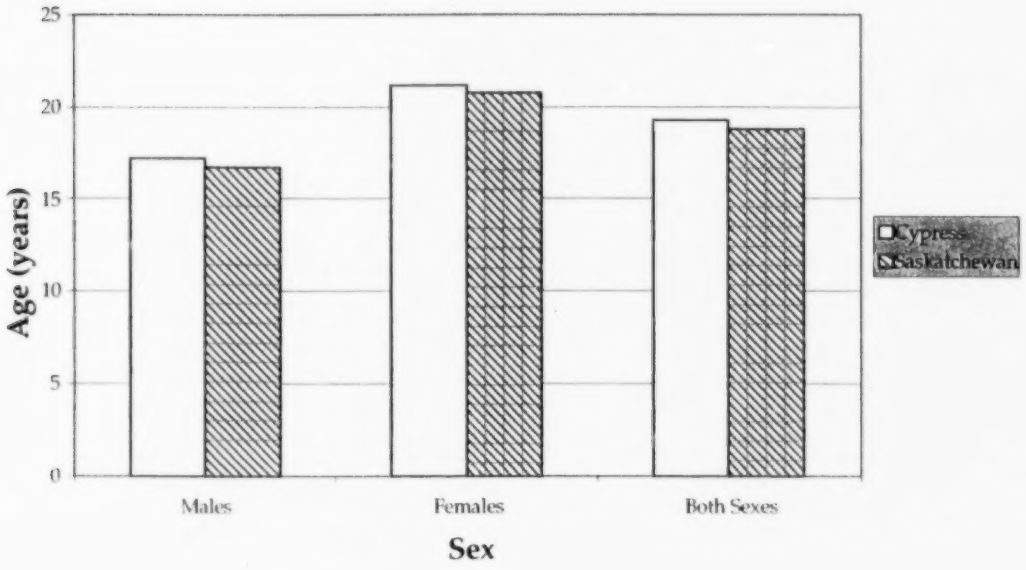
✔ ***Life Expectancy***

The Cypress Health Region boasts the longest life expectancy at birth of any health region in the province and is above the provincial average. As well, life expectancy at age 65 in the Cypress Health Region is the third highest in the province and is above the provincial average.

Life expectancy at birth, Cypress Health Region



Life expectancy at age 65, Cypress Health Region

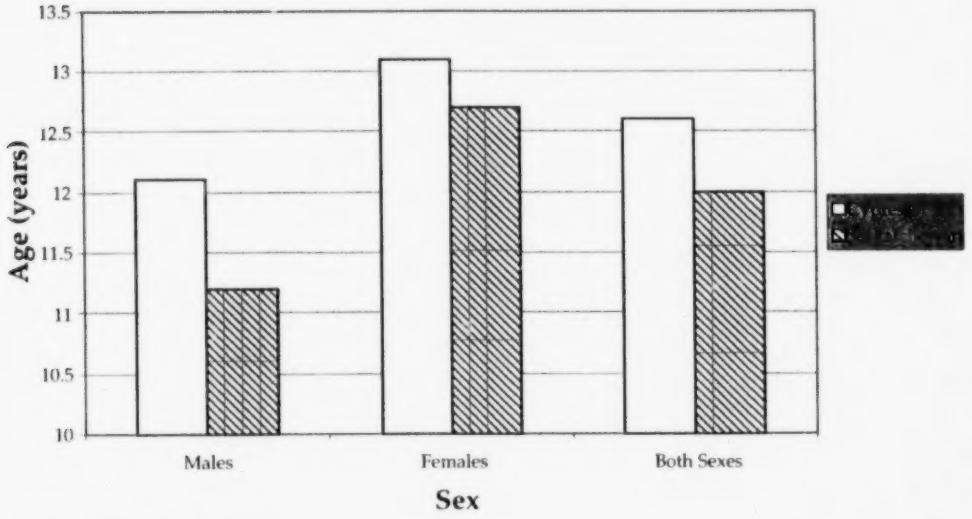


✔ ***Disability Free Life Expectancy***

Disability free life expectancy measures the amount of time from a certain age that one will live without disability. It is generally calculated from birth, and from age 65. Again, residents of the Cypress Health Region are doing extremely well based on this indicator, as the Cypress Health Region has the longest disability free life expectancy at birth as well as at age 65.

Disability-free life expectancy at birth, Cypress Health Region, by sex

Disability-free life expectancy at age 65, Cypress Health Region, by sex



✔ ***Self Rated Health Status***

Self-related health status is the percentage of the population aged 12 and over who rates their health status as "very good" or "excellent" when polled by the Canadian Community Health Survey. The percentage of Cypress Health Region residents who report their health status as "very good" or "excellent" is well above the provincial standard.

Self Reported Health Status, Cypress RHA, by sex

Prevalence of Diabetes

Similar to other parts of the province and country, the prevalence of diabetes is continuing to rise in the Cypress Health Region.

	2000-01	1999-2000	1998-99	1997-98
Number of diabetics	2217	2193	2092	1932
Prevalence Rate per 1,000 pop'n	48.2	46.9	44.7	41.5
Regional Age-Sex Adjusted Prevalence Rates per 1,000	167.2	154.2	158.7	144.9

In 2000-01, the health region's prevalence rate was the 3rd highest among the thirteen regional health authorities. When this rate was adjusted for the region's age and gender distribution, it decreased slightly to 5th highest.

A LOOK BACK TO 2002-03 ... Progress, Results, Initiatives, Accomplishments

The province's *Action Plan for Health Care* outlines a series of goals and objectives that will serve as the road map for "building a province of healthy people and healthy communities." In relation to these goals and objectives, the Cypress Health Region Authority has determined that their strategic framework also revolves around a similar set of goals and objectives as we move towards our vision for the future: *"Together – Your Health, Our Future"*.

This section deals with a summary of accomplishments and activities undertaken during the fiscal year 2002-03, and how they relate to the strategic framework of the health region.

Improved Access to Quality Health Services

Objective: Responsive, Coordinated Primary Health Care

- Primary Directions (Stan and Judy Rice) selected to lead the coordination of planning efforts towards the implementation of primary health care networks > steering committee developed, introductory/needs assessment workshops held throughout the region
- Initial discussions with physicians regarding primary health care networks and the variety of alternative payment plans available.
- Ongoing primary health initiative in Hodgeville/Vanguard > Advanced Clinical Nurse

Objective: Reduce waiting times for surgical procedures

- Participation on provincial surgical waiting list planning committee

Objective: Improve Emergency Medical Care

- All EMS providers, region-owned and private, working on issues from regional focus
- Formation of a regional emergency planning group > development of regional emergency plan, in conjunction with other stakeholders in fire, police, and municipal government
- Acquisition of three ambulance units for Maple Creek, Leader, and Richmound services > combination of local fundraising efforts, regional capital replacement dollars.

Objective: Improved hospital, specialized services, and long term care

- Announcement of permanent CT scanner to be located in Swift Current, along with enhancements to the current level of CT services provided.
- Approval of new Regional Hospital for southwestern Saskatchewan
- Capital renovation projects in Leader, Maple Creek, Swift Current Regional Hospital, and Swift Current Care Centre > enhanced environments for clients, staff, and visitors
- Recruitment of pathologist, general surgeon, and obstetrician to Regional Hospital
- Announcement (June 2003) of Telehealth enhancement to health region, which will serve as a benefit to clients, physicians, and employees.

Effective Health Promotion and Disease Prevention

Objective: Better promotion of health and disease prevention

- Hosted health promotion planning workshop, with a wide range of intersectoral participation > strategy will be developed to guide the population health promotion approaches into the future that will focus on healthy families, healthy and safe communities, and chronic disease prevention.
- Participated in Schools Plus initiative with other stakeholders in education and social services > 3 pilot sites within Cypress Health Region
- Responsibilities associated with the education and enforcement of *The Tobacco Control Act*
- Continued participation on Regional Intersectoral Committee
- Disseminated information related to severe acute respiratory syndrome (SARS), West Nile Virus, and Creutzfeldt-Jakob Disease (CJD).

Objective: Improve the health of populations at risk

- Contractual relationships with McKerracher Support Services and the local branch of Canadian Mental Health Association to provide programming to individuals suffering from long term mental illnesses.
- Identification of Hutterite population as an "at-risk" group > 27 colonies, with a total population of over 2400; strategy development and consultations regarding innovative approaches.
- Acquired Brain Injury (ABI) Coordinator serves as liaison between individual and appropriate health care providers.
- Diabetes prevention coordination, which links with the Provincial Plan for the Control of Diabetes.

Retain, Recruit, and Train Health Providers

Objective: Improve utilization and availability of health human resources

- Utilization of LPNs' full scope of practice in long term care and acute settings, which has relieved the pressures associated with registered nursing shortages.
- Provision of regional clinical education days for physicians, nursing staff (RN, SCA, LPN), social workers, therapies, pharmacists, and diagnostic staff > accessible close to home.
- Availability of wound care workshops throughout the health region
- Six bursaries for nursing programs and degrees were provided, with a return for service agreement
- Variety of recruitment efforts resulted in many successes > registered nurses, general practitioner physicians, pathologist, urologist

Objective: Develop representative workplaces

- Presentation from Government Relations and Aboriginal Affairs regarding the "Representative Workplace Agreement."

Objective: Create healthier more effective work places

- Introduction of the SRNA's Quality Workplace Program at one site, with plans to expand the theory and practices to other locations
- Workplace Wellness Initiatives > wellness fairs, promotion of healthy living options
- Regional Occupational Health & Safety Committee in development stages
- Transfers, Lifts, and Repositioning (TLR) training being offered region-wide; working with SAHO regarding implementation of TLR into acute care
- Integration of Employee Family Assistance Program (EFAP) to staff of entire region.
- Ability Management Program > assist employees in a complete, rapid return to work from WCB or sickness related leaves. Realized a reduction of $204,000 in WCB claim costs over the course of one year within the former Swift Current Health District, in addition to a significant decrease in the length of claims for WCB and DIP. Program being expanded to other locations throughout the region.
- "Warm Up to Work" program initiated in a number of locations > introduces the importance of physical fitness and flexibility.

"At A Glance"

Ambulance Service Sites 12

Facilities 20

Acute beds 183

Long term care beds 501

A Sustainable, Efficient, Accountable Quality Health System

Objective: Ensure quality, effective health care

- Development and implementation of information systems to enhance client service in Home Care. PROCURA, a staff/client management system, was initiated which can integrate client and employee data, promoting improved scheduling of client care, access to and reporting of clinical information, and increased efficiency of client billing
- MDS RUGS has been fully implemented in long term care
- Implementation of CARE Manager system in Eastend Health Centre > provides care planning support and care charting, resulting in a fully integrated care path. Plans are to continue the implementation of this program to other long term care locations.
- Formation of sector-specific "Quality Teams" who will monitor performance indicators for their areas, as well as prepare for a Canadian Council of Health Services Accreditation survey which is scheduled for June 2004.
- Development of a one point of entry to the Quality Care Coordinator program for the health region > coordinated effort for investigations of concerns and issues.

Objective: Appropriate governance, accountability, and management for the health sector

- Operating surplus of $177,000 for the 2002-03 fiscal year.
- Significant achievement of halting the downward slide of the region's working capital
- Community Advisory Networks > RHA sub-committee has developed Terms of Reference, in consultation with rural and urban municipal councils. The terms of reference provides guidelines for the roles and responsibilities of the networks, the number of networks within the health region, and the process for becoming a member. A call for interest was advertised throughout the region, with the intention to schedule the first meeting of each of four Networks in June 2003. Due to limited interest in Network membership, the process is being re-evaluated by the RHA sub-committee.
- Varying stages of integration of three operational systems into one > finance, payroll, purchasing, human resource management, administrative functions.
- Strategic planning sessions between RHA and senior management team members > development of framework for future operations.
- Provision of SAHO's Employee Relations Certificate Program for managers > 44 managers have taken the course over the past 2 years.

Objective: Sustain publicly funded and publicly administered Medicare

LOOKING AHEAD INTO 2003-04 ... Challenges, Future Directions

The operational plan for 2003-04 has provided the opportunity for the health region to enter a year of intense planning within, and outside of, the organization. This attention to planning will serve to focus our efforts on the future of health care delivery in southwestern Saskatchewan.

Priorities during the year will focus on:

- ⇒ The development and communication of a strategic plan;
- ⇒ Implementation of an effective community advisory process;
- ⇒ Development of a population health promotion strategy;
- ⇒ Improving the health region's decision support and research capacity;
- ⇒ Development of a regional needs assessment;
- ⇒ Development of a primary care plan and the formation of primary care networks;
- ⇒ Human resource planning;
- ⇒ Implementation of a comprehensive quality improvement process including preparations for an accreditation survey in June 2004;
- ⇒ Development of a capital facility maintenance and replacement plan;
- ⇒ Development of an information systems plan; and,
- ⇒ Development of a plan to ensure financial stability for the health region.

Strategies will be developed to address system-wide issues of concern:

- ⇒ *Recruitment and retention* – we are facing human service shortages in many key program areas that are resulting in reductions to service provision. We will be working with our community partners regarding their involvement in the recruitment and retention of health care providers.

- ⇒ *Staff attendance management* – attention will be directed to the reduction of overtime and relief expenditures and the role that these extra demands play in the burnout of the staff. We will be looking at enhancing the existing Abilities Management Program throughout the health region, in addition to securing additional Quality Workplace Initiative sites.

- ⇒ *Utilization management* – organizational structure has a dedicated focus on utilization management practices, which will assist in the assessment of appropriateness and quality of the services provided. Attention will also be paid to the safety factor of certain services and programs that are facing low volumes or shortages of human resources to provide the program or service.

- ⇒ *Capital Equipment* – diagnostic, digital technology, and telehealth.

With the announcement of a new Regional Hospital, much dedicated staff time and effort will be placed in the planning phases of the project.

- ⇒ Selection of an architectural firm to coordinate the construction process.
- ⇒ Secure an appropriate location for the new facility, while considering the possibility of the addition of long term care in the future.
- ⇒ Secure adequate funding for the completion of the project.
- ⇒ Participate in the functional planning phase of the project, where the overall scope of the new facility will be determined.
- ⇒ Participate in the building design phase and preparation of contract drawings for the project.

The Cypress Regional Health Authority and its 1,700 employees will continue to provide a continuum of high quality health care services to the residents of southwestern Saskatchewan. We will provide these services within the parameters of the limits that surround us – whether they are financial or human resource related.

STARK & MARSH
CHARTERED ACCOUNTANTS

A Member of POLARIS INTERNATIONAL

R.G. Budd CA CFP *
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AUDITOR'S REPORT

To the Board of Directors, Cypress Regional Health Authority

We have audited the statement of financial position of the Cypress Regional Health Authority as at March 31, 2003 and the statements of operations and changes in fund balances and cash flow for the year then ended. The Health Authority Board and management are responsible for preparing these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion these financial statements present fairly, in all material respects, the financial position of the Health Authority as at March 31, 2003 and the results of its operations and the changes in its fund balances and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Stark & Marsh

Chartered Accountants

Swift Current, Saskatchewan
May 14, 2003

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CYPRESS HEALTH REGION

CYPRESS REGIONAL HEALTH AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2003

CYPRESS REGIONAL HEALTH AUTHORITY
STATEMENT OF FINANCIAL POSITION
As at March 31

	Operating Fund	Restricted Funds: Capital Fund	Restricted Funds: Community Trust Fund	Total 2003	Total 2002 (Note 10)
ASSETS					
Current assets					
Cash and short-term investments (Schedule 2)	$ 5,460,197	$ 1,364,162	$ 795,852	$ 7,620,211	$ 7,739,316
Accounts receivable					
Saskatchewan Health - General Revenue Fund	929,128	47,000	-	976,128	1,442,608
Other	791,484	19,379	3,390	814,253	921,030
Inventory	1,085,851	-	-	1,085,851	1,022,836
Prepaid expenses	365,292	-	-	365,292	160,130
Due from capital fund	441,750	-	-	441,750	441,750
	9,073,702	1,430,541	799,242	11,303,485	11,727,670
Investments (Schedule 2)					
(Market - $1,306,380; 2002 - $1,319,270)	577,171	65,552	640,460	1,283,183	1,296,111
Pledges receivable	-	17,863	-	17,863	39,092
Capital assets (Note 2(c) and 3)	-	29,693,004	-	29,693,004	29,580,105
Total Assets	$ 9,650,873	$ 31,206,960	$ 1,439,702	$ 42,297,535	$ 42,642,978
LIABILITIES & FUND BALANCE					
Current liabilities					
Accounts payable	$ 2,637,316	$ -	$ -	$ 2,637,316	$ 2,462,587
Accrued salaries	1,972,144	-	-	1,972,144	1,557,163
Vacation payable	3,904,343	-	-	3,904,343	3,833,051
Mortgages payable - current (Note 5)	-	202,329	-	202,329	179,908
Deferred revenue (Note 6)	1,057,440	-	-	1,057,440	933,802
Due to operating fund	-	441,750	-	441,750	441,750
	9,571,243	644,079	-	10,215,322	9,408,261
Longterm Liabilities	-	-	-	-	-
Mortgages payable (Note 5)	-	2,547,606	-	2,547,606	2,759,096
Total Liabilities	9,571,243	3,191,685	-	12,762,928	12,167,357
Fund Balances					
Invested in capital assets	-	26,501,319	-	26,501,319	26,199,351
Externally restricted (Note 2 and Schedule 3)	30,212	557,769	1,439,702	2,027,683	2,326,014
Internally restricted (Note 16 and Schedule 4)	367,228	956,187	-	1,323,415	2,379,902
Unrestricted	(317,810)	-	-	(317,810)	(429,646)
Fund balances - Statement 2	79,630	28,015,275	1,439,702	29,534,607	30,475,621
Total Liabilities & Fund Balances	$ 9,650,873	$ 31,206,960	$ 1,439,702	$ 42,297,535	$ 42,642,978

CYPRESS REGIONAL HEALTH AUTHORITY
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	Operating Fund			Restricted Funds	
	Budget 2003 (Note 12)	2003	2002 (Note 10)	Total 2003 (Schedule 5)	Total 2002 (Note 10)
REVENUES					
Saskatchewan Health - General Revenue Fund	$ 56,664,696	$ 57,849,950	$ 54,828,744	$ 640,210	$ 915,945
Other Provincial Revenue	1,658,753	2,139,417	481,431	-	-
Long-term resident and respite income	5,036,903	5,133,753	4,937,675	-	-
Home Based Service - client fees	426,689	405,991	387,880	-	-
Emergency response service fees	325,200	335,229	308,320	50,312	56,889
CMHC mortgage subsidies	24,000	-	20,534	20,534	-
Federal funding	-	-	-	-	-
Out-of-province charges & third party reimbursements	524,457	543,173	507,430	-	-
Donations	52,820	59,722	112,823	174,373	244,117
Investment Income	197,611	152,534	238,579	69,445	80,842
Ancillary operations - income	218,320	154,403	227,538	-	-
Research grants	-	-	-	-	-
Other	1,086,561	1,171,709	1,635,977	1,589	14,469
	66,216,010	67,945,881	63,686,931	956,463	1,312,262
EXPENSES					
Acute services	24,943,858	26,198,309	24,222,839	631,535	648,083
Specialized hospital services	481,549	504,447	455,626	-	-
Supportive care services	22,570,187	23,049,404	22,091,404	951,193	895,053
Grants to affiliates	-	-	-	-	-
Acute services	-	-	-	-	-
Supportive care services	2,217,285	2,328,526	2,225,308	61,478	85,917
Home Based services	5,069,038	5,051,192	5,144,729	73,141	66,479
Health Improvement Initiatives	-	-	-	-	-
Health and wellness centre	1,484,369	1,472,402	1,452,902	120,641	137,682
Rural/Urban health initiatives	879,403	723,487	704,038	1,502	1,610
Other	-	-	-	-	-
Community care initiatives	218,109	138,387	144,701	376	402
Emergency response services	1,721,515	1,795,366	1,569,930	71,688	72,480
Addictions services	372,536	326,520	310,274	4,392	5,097
Community health services	2,556,767	2,426,387	2,281,178	39,321	41,061
Mental health services	3,058,920	3,023,117	2,720,041	61,498	74,015
Rehabilitation services	315,939	324,428	263,598	376	8,248
Ancillary operations - expenses	201,447	406,428	111,355	57,817	402
Total expenses (Schedule 1)	66,090,922	67,768,400	63,697,923	2,074,958	2,036,529
(Deficiency) excess of revenues over expenses	$ 125,088	177,481	(10,992)	(1,118,495)	(724,267)
Fund balances, beginning of year		32,602	667,043	30,443,019	30,543,837
Interfund transfers (Note 16)		(130,453)	(623,449)	130,453	623,449
Fund balances, end of year		$ 79,630	$ 32,602	$ 29,454,977	$ 30,443,019

CYPRESS REGIONAL HEALTH AUTHORITY
STATEMENT OF CASH FLOW
For the Year Ended March 31

	Operating Fund		Restricted Funds			
	2003	2002 (Note 10)	Capital Fund	Community Trust Fund (Schedule 3)	Total 2003	Total 2002 (Note 10)
Cash provided by (used in):	Operating Activities		Financing and Investing Activities			
(Deficiency) excess of revenue over expenditure	$ 177,481	$ (10,992)	$(1,104,807)	$ (13,688)	$(1,118,495)	$ (295,567)
Net change in non-cash working capital (Note 7)	327,809	867,981	792,336	8,668	801,004	103,694
Amortization of capital assets	-	-	1,798,288	-	1,798,288	1,820,164
(Loss)/Gain on Disposal of Capital Assets	-	-	9,799	-	9,799	3,627
	505,290	856,989	1,495,616	(5,020)	1,490,596	1,631,918
Purchase of capital assets	-	-	(1,951,211)	-	(1,951,211)	(1,479,703)
Proceeds on disposal of capital assets	-	-	12,363	-	12,363	745
	-	-	(1,938,848)	-	(1,938,848)	(1,478,958)
Repayment of debt	-	-	(189,069)	-	(189,069)	(162,736)
Net increase (decrease) in cash and investments during the year	505,290	856,989	(632,301)	(5,020)	(637,321)	(438,476)
Cash and investments, beginning of year	5,662,531	5,428,991	1,634,948	1,737,946	3,372,894	3,187,921
Interfund transfers (Note 16)	(130,453)	(623,449)	427,067	(296,614)	130,453	623,449
Cash and investments, end of year	$ 6,037,368	$ 5,662,531	$ 1,429,714	$ 1,436,312	$ 2,866,026	$ 3,372,894
Amounts in cash balances						
Cash and short term investments	$ 5,460,197	$ 5,271,640	$ 1,364,162	$ 795,852	$ 2,160,014	$ 2,467,674
Investments	577,171	390,891	65,552	640,460	706,012	905,220
	$ 6,037,368	$ 5,662,531	$ 1,429,714	$ 1,436,312	$ 2,866,026	$ 3,372,894

CYPRESS REGIONAL HEALTH AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
As at March 31, 2003

1. Legislative Authority

On August 1, 2002, the Legislative Assembly passed *The Regional Health Services Act* (the Act). This Act created the Cypress Regional Health Authority (RHA). The Authority is responsible for the planning, organization, delivery and evaluation of health services within the geographic area know as the Cypress Health Region.

On coming into force, the Act terminated the membership of the individual District Health Boards. All assets, liabilities, rights, and obligations of the District Health Boards continue as the assets, liabilities, rights, and obligations of the Regional Health Authority. All contracts with the District Health Boards remain in effect until repealed or replaced by the Regional Health Authorities.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies.

a) Amalgamation for former District Health Boards

The three former District Health Boards, Rolling Hills District Health Board, Southwest District Health Board and Swift Current District Health Board, have been amalgamated in these financial statements using the continuity-of-interests method. All assets, liabilities, revenues and expenses have been combined in both the 2002 and 2003 fiscal years.

b) Fund Accounting

The accounts of the RHA are maintained in accordance with the restricted fund method of accounting for contributions. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

i) Operating Fund

The operating fund reflects the primary operations of the RHA including revenues received for provision of health services from Saskatchewan Health - General Revenue Fund, and billings to patients, clients, the federal government and other agencies for patient and client services. Other revenue consists of donations, restricted Palliative Care Committee donations, recoveries, and ancillary revenue. Expenses are for the delivery of health services.

ii) Capital Fund

The capital fund is a restricted fund that reflects the equity of the RHA in capital assets after taking into consideration any associated long-term debt. The capital fund includes revenues received from Saskatchewan Health - General Revenue Fund designated for construction of capital projects and/or the acquisition of capital assets. The capital fund also includes donations designated for capital purposes by the contributor. Expenses consist primarily of amortization of capital assets.

iii) Community Trust Fund

The community trust fund is a restricted fund that reflects community generated assets transferred to the RHA in accordance with the pre-amalgamation agreements signed with the amalgamating health corporations. The assets include cash and investments initially accumulated by the health corporations in the RHA from donations or municipal tax levies. These assets are accounted for separately and use of the assets is subject to restrictions set out in pre-amalgamation agreements between the RHA and the health corporations.

c) Revenue

Unrestricted contributions are recognized as revenue in the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

d) Capital Assets

Capital assets are recorded at cost. Normal maintenance and repairs are expensed as incurred. Capital assets, with a life exceeding one year, are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	2.5 to 20%
Land improvements	2.5 to 10%
Equipment	5.0 to 20%
Vehicles	10 to 25%

Donated capital assets are recorded at their fair value at the date of contribution (if fair value can be reasonably determined.)

e) Inventory

Inventory consists of general stores, pharmacy, laboratory, linen and other. All inventories are valued at cost as determined on the first in, first out basis.

f) Investments

Investments are valued at the lower of cost or net realizable value.

g) Pension

Employees of the RHA participate in several multi-employer defined benefit pension plans or a defined contribution plan. The RHA follows defined contribution plan accounting for its participation in the plans. Accordingly, the RHA expenses all contributions it is required to make in the year.

h) Measurement Uncertainty

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. In the preparation of financial statements, management makes various estimates and assumptions in determining the reported amounts of assets and liabilities, revenues and expenses and in the disclosure of commitments and contingencies. Changes in estimates and assumptions will occur based on the passage of time and the occurrence of certain future events. The changes will be reported in the period in which they become known.

3. Capital Assets

	March 31, 2003			March 31, 2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 622,385	$ -	$ 622,385	$ 622,385
Land improvements	702,295	510,420	191,875	192,129
Buildings	37,201,261	14,946,468	22,254,793	21,588,853
Equipment	22,124,375	15,829,796	6,294,579	6,449,437
Software	425,118	149,162	275,956	306,616
Vehicles	613,810	560,394	53,416	100,022
Construction in progress	-	-	-	320,663
	$61,689,244	$31,996,240	$29,693,004	$29,580,105

4. Commitments

a) Capital Assets Acquisitions

At March 31, 2003, commitments for acquisition of capital assets were $47,000 (2002 - $574,974).

b) Operating Leases

The minimum annual rental under operating leases on property over the next five years on which the Ponteix Health Centre is located is one dollar for each year. The land is rented from Les Soeurs de Notre Dame d'Auvergne. The lease term is for twenty years effective March 1, 1997 with an option for the Board to renew the lease for a further twenty years on an annual basis. The Board is required to maintain appropriate general liability insurance for the premises.

5. Mortgages Payable

Title of Issue	Interest Rate	Annual Repayment Terms	2003	2002
Cypress Lodge Nursing Home CMHC, due Feb. 1, 2023	7.50%	$31,638 principal and interest	$ 329,536	$ 336,553
Gull Lake & District Special Care Home CMHC, due August 1, 2026	8.00%	$44,751 principal and interest	478,043	484,879
Prairie View Health Centre CMHC, due June 1, 2022	6.45%	$30,943 principal and interest of which $20,534 is subsidized by CMHC yielding an effective interest rate of 0.5%	342,713	351,533
Swift Current Care Centre CUCORP, due April 1, 2012	Prime less 0.25%	$219,600 principal and interest	1,333,868	1,495,885
Western Senior Citizens Home CMHC, due Feb. 1, 2025	8.00%	$25,488 principal and interest	265,775	270,154
			2,749,935	2,939,004
Less: Current Portion			202,329	179,908
			$ 2,547,606	$ 2,759,096

For each of the mortgages, the RHA has pledged the related buildings of the special care homes as security. Principal repayments required in each of the next five years is estimated as follows:

2004	***202,329***
2005	***211,574***
2006	***221,268***
2007	***231,432***
2008	***241,767***
2009 and subsequent years	***1,641,565***

6. Deferred Revenue

	Balance Beginning of Year	Less Amount Recognized from Health	Add Amount Received from Health	Less Amount Recognized from Other Sources	Add Amount Recognized from Other Sources	Balance End of Year
Saskatchewan Health - General Revenue Fund	(Note 10)					
Arthoscopic Program	$ 15,000	$ -	$ -	$ -	$ -	$ 15,000
Community Care Initiatives	47,383	51,436	19,053	-	-	15,000
Diabetes Funding	38,075	8,252	47,500	-	-	77,323
Enhanced Rehabilitiation	31,858	19,958	-	-	-	11,900
Health Improvement Initiatives	400,561	694,554	672,937	-	-	378,944
HSAS Contract Ambulance	-	-	8,507	-	-	8,507
Light Care Phase Out	9,086	-	-	-	-	9,086
Medical Training	-	-	56,121	-	-	56,121
Primary Care Funding	-	-	148,213	-	-	148,213
Primary Health Services Project	17,000	-	-	-	-	17,000
Respite Incentive	14,362	-	-	-	-	14,362
RHA Planning Committee	90,000	90,000	-	-	-	-
MDS RUGS	46,000	36,000	-	-	-	10,000
Supportive Mothers	87,210	21,593	32,000	-	-	97,617
Surgical Waiting List	-	-	25,000	-	-	25,000
Transition Grant - Climax	3,888	2,513	-	-	-	1,375
Workplace Wellness	84,372	27,822	22,130	-	-	78,680
ABI Program Funding	30,499	-	-	46,756	71,209	54,952
Dr. Noble Irwin	-	-	-	-	4,210	4,210
Mental Health Conference	18,498	-	-	9,395	-	9,103
Payments received in advance	10	-	-	10	47	47
Quality Workplace - SRNA	-	-	-	-	15,000	15,000
SIMS/PHIS Funding	-	-	-	-	10,000	10,000
	$ 933,802	$ 952,128	$ 1,031,461	$ 56,161	$ 100,466	$1,057,440

Restricted funding related to general operations from Saskatchewan Health - General Revenue Fund and other revenue is recorded as revenue as the related costs are incurred.

7. Net Change in Non-Cash Working Capital

	Operating Fund		Restricted Funds				
	2003	2002	Capital Fund	Community Trust Fund	Total 2003	Total 2002
Decrease in (Increase in)						
Accounts receivable	$ (195,018)	$ 261,703	$ 778,985	$ 8,668	$ 787,653	$ (366,654)
Inventory	(63,953)	15,687	938	-	938	(938)
Prepaid expenses	(205,160)	52,078	-	-	-	44,985
Other current assests	-	(441,750)	19,713	-	19,713	12,251
Increase in (Decrease in)						
Accounts payable	$ 182,029	$ (3,686)	$ (7,300)	$ -	$ (7,300)	$ 414,050
Accrued salaries	414,981	655,661	-	-	-	-
Vacation payable	71,292	183,994	-	-	-	-
Deferred revenue	123,638	149,252	-	-	-	-
Other current liabilities	-	(4,958)	-	-	-	-
	$ 327,809	$ 867,981	$ 792,336	$ 8,668	$ 801,004	$ 103,694

8 Patient and Resident Trust Accounts

The RHA administers funds held in trust for patients and residents using the RHA's facilities. The funds are held in separate accounts for the patients or residents at each facility. The total cash held in trust as at March 31, 2003 was $ 43,142 (2002 - $ 45,416). These amounts are not reflected in the financial statement.

9 Related Party Transactions

These financial statements include transactions with related parties. The RHA is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. The RHA is also related to non-Crown enterprises that the Government jointly controls or significantly influences. In addition, the RHA is related to other non-Government organizations by virtue of its economic interest in these organizations.

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at the standard rates charged by those organizations and are settled on normal trade terms.

	2003	2002
Saskatchewan Power Corporation, Expense	$ 515,677	$ 475,226
SaskEnergy Incorporated, Expense	339,281	310,126
Sask Tel, Expense	472,037	482,224
Sask Property Management Corp, Expense	534,518	525,107
Sask Worker's Compensation, Expense	927,914	947,662
Saskatchewan Association of Health Organizations, Expense	5,390,666	4,935,280

In addition, the RHA pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchase. Taxes paid are recorded as part of the cost of those purchases.

10. Comparative Information

Certain 2001-02 balances have been reclassified to conform with the current year's presentation.

11. Pension

Employees of the RHA participate in one of the following pension plans. Some employees participate in the Saskatchewan Healthcare Employees' Pension Plan (SHEPP), which is jointly governed by a board of eight trustees. Four of the trustees are appointed by the Saskatchewan Association of Health Organizations (SAHO) (a related party) and four of the trustees are appointed by Saskatchewan's health care unions (CUPE, SUN, SEIU, SGEU, RWDSU and HSAS). SHEPP, is a multi-employer defined benefit plan, which came into effect December 31, 2002. (Prior to December 31, 2002, this plan was formerly the SAHO Retirement Plan and governed by the SAHO Board of Directors). Other employees participate in either the Public Service Superannuation Plan (a related party) which is also a defined benefit plan, or the Public Employees' Pension Plan (a related party) which is a defined contribution plan, both of these plans are the responsibility of the Province of Saskatchewan. The RHA' s financial obligation to the plans is limited to making required payments to match amounts contributed by employees for current services.

Pension expense for the year amounted to $1,666,137 (2002 - $1,509,393) and is included in benefits. On January 1, 2003 the employer rate for the SHEPP increased from 4.0 to 4.5%.

12. Budget

The operating budget, which is included in the RHA's Health Plan, was approved by the RHA and the Minister of Health.

13. Subsequent Events

The RHA has recorded estimated severance payments under salaries payable on Statement 1 due to organizational change.

14. Significant Events

The Swift Current Regional Hospital is in contravention of the Fire Code. The RHA internally restricted $400,000 in the capital fund towards the local share and it was recorded in the 2000-2001 fiscal year.

15. Financial Instruments

a) Significant terms and conditions

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) Credit risk

The RHA is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the RHA's receivables are from Saskatchewan Health - General Revenue Fund, Saskatchewan Workers' Compensation Board, health insurance companies or other Provinces. Therefore, the credit risk is minimal.

c) Fair value

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term nature.

  cash and short term investments
  accounts receivable
  accounts payable
  accrued salaries and vacation payable

- For investments, the fair value is considered to approximate quoted market values.
- The fair value of mortgages payable before the repayment required within one year, is $2,757,467 (2002 - $2,977,252) and is determined using discounted cash flow analysis based on current incremental borrowing rates for similar borrowing arrangements.

d) Short-term Borrowing/Operating Line-of-credit

The RHA has a line-of-credit limit of $1,300,000 by way of overdraft with an interest rate charged at Prime less ½ percentage until March 31, 2003. Total interest paid on the line-of-credit in 2003 was $ nil (2002 $ nil).

16. Interfund Transfers

	Operating	Capital	Community Trust	2003 Total	2002 Total
Building renovations	$ 169,318	$ (8,939)	$ (160,379)	-	-
Capital asset purchases	(323,837)	460,072	(136,235)	-	-
CMHC reserve	24,066	(24,066)		-	-
Total	$ (130,453)	$ 427,067	$(296,614)	-	-

17.a) Affiliates/Health Care Organizations

The RHA has also entered into affiliation agreements with healthcare organizations to provide services.

These organizations receive operating funding from the RHA on a monthly basis in accordance with budget amounts approved annually. During the year, the RHA provided the following amounts to health care organizations:

	2003	2002
Foyer St. Joseph Nursing Home Inc.	$ 912,970	$ 873,194
Herbert Nursing Home Incorporated	1,415,556	1,344,090
McKerracher Support Services Inc.	93,463	89,259
Canadian Mental Health Association (Saskatchewan Division) Inc.	112,894	97,184
	$ 2,534,883	$ 2,403,727

CYPRESS REGIONAL HEALTH AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
As at March 31, 2003

Additional note disclosure, with estimates for 2003, is provided below for affiliates of the RHA.

	Foyer St. Joseph Nursing Home Inc.	Herbert Nursing Home Incorporated	Total 2003	Total 2002
Balance sheet				
Total assets	$863,900	$1,090,000	$1,953,900	$1,858,954
Total liabilities	106,300	886,000	992,300	971,457
Total net assets	757,600	204,000	961,600	887,497
	$863,900	$1,090,000	$1,953,900	$1,858,954
Results of operations				
Total revenue	$1,440,400	$2,145,000	$3,585,400	$3,394,929
Total expenses	1,366,600	2,131,000	3,497,600	3,344,150
Excess/(deficiency) of revenue over expenses	$ 73,800	$ 14,000	$ 87,800	$50,779
Cash flow				
Cash from operations	$164,100	$ 123,700	$287,800	$177,953
Cash used in financing activities	(5,500)	(46,000)	(51,500)	(51,786)
Cash used in investing activities	(65,000)	(5,000)	(70,000)	(257,085)
Increase/(decrease) in cash	$ 93,600	$72,700	$ 166,300	(130,918)

17.b) Foundations

Fundraising efforts are undertaken through a non-profit business corporation known as the Dr. Noble Irwin Healthcare Foundation Inc. The fiscal year ends December 31.

Dr. Noble Irwin Healthcare Foundation Inc.

Balance sheet	December 31, 2002	December 31, 2001
Total assets	$ 3,074,189	$ 2,709,399
Total liabilities	35,108	44,231
Total net assets	3,039,081	2,665,168
	$ 3,074,189	$ 2,709,399
Results of operations		
Total revenues	$ 813,155	$ 2,397,005
Total expenses	439,242	617,722
Excess revenue over expenses	$ 373,913	$ 1,779,283

Total expenses include contributions in 2002 of $273, 057 (2001 - $431,961) to the Cypress Regional Health Authority.

Cash flows		
Cash flow operations	$ 326,609	$ 2,412,596
Cash used in financing and investing activities	(87,228)	(305,213)
(Decrease) increase in cash	$ 239,381	$ 2,107,383

18. Volunteer Services

The operations of the RHA utilize services of many volunteers. Because of the difficulty in determining the fair market value of these donated services, the value of these donated services is not recognized in the financial statements.

Schedule 1

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended March 31

	2003	2002 (Note 10)
Ambulance Service Grants	$ 783,137	$ 711,975
Ancillary	50,836	47,747
Benefits	7,105,805	6,391,094
Diagnostic Imaging Supplies	308,297	316,128
Drugs	732,295	758,621
Food	1,309,807	1,310,810
Grants to third parties	2,549,059	2,451,596
Housekeeping & Laundry Supplies	443,608	401,978
Information Technology Contracts & Licenses	76,104	288,390
Insurance	143,439	132,138
Interest Expense	33	55,970
Laboratory Supplies	510,065	439,600
Medical & Surgical Supplies	1,692,881	1,595,651
Medical Remuneration & Benefits	3,143,387	2,383,930
Office Supplies & Other Office Costs	1,109,837	1,008,006
Other	1,309,653	1,165,813
Professional Fees	325,230	373,981
Prosthetics	-	-
Purchase Service	223,628	228,441
Rent/Lease	275,419	316,720
Repairs & Maintenance	1,175,402	1,144,573
Salaries	41,943,910	39,783,603
Telephone	313,783	278,400
Travel Expense	817,302	731,310
Utilities	1,425,483	1,381,448
Total Operating	$ 67,768,400	$ 63,697,923
Restricted		
Amortization	$ 1,798,288	$ 1,820,166
Loss/(Gain) on disposal of assets	(9,799)	3,627
Mortgage interest expense	165,662	123,795
Other	120,807	88,941
	$ 2,074,958	$ 2,036,529

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF INVESTMENTS
For the Year Ended March 31, 2003

	Amount	Maturity	Effective Rate	Coupon Rate
Restricted Investments				
Cash and Short-Term Chequing and Savings				
Bank of Montreal (Maple Creek)	$ 14,292			
CIBC (Leader)	78			
CIBC (Mankota)	38,906			
Cypress Credit Union Ltd (Maple Creek)	29,091			
Eastend Credit Union Limited	16			
Herbert Credit Union Limited	18,302			
Herbert Credit Union Limited	9,528			
Royal Bank of Canda (Shaunavon)	1,223,324			
Sandhills Credit Union Leader Branch	151,041			
Southwest Credit Union	19,249			
Southwest Credit Union	27,994			
Toronto Dominion Bank (Swift Current)	55,545			
Toronto Dominion Bank (Swift Current)	4,811			
	$ 1,592,177			
Term Deposits				
CIBC (Mankota)	55,000	04/23/03	1.00%	
Eastend Credit Union Limited	159,115	04/13/03	2.68%	
Herbert Credit Union Limited	60,000	03/04/04	2.00%	
	$ 274,115			
CUCORP (Note 14)	$ 400,000			
Long Term				
Bank of Montreal GIC	23,775	01/09/05	6.65%	
Canada Savings Bonds RS49	45,000	11/01/06	1.80%	1.80%
Canada Savings Bonds RS52	200,000	01/01/07	6.00%	6.00%
Cypress Credit Union Ltd (Maple Creek)	520,000	03/28/07	3.65%	
Cypress Credit Union Ltd (Maple Creek)	120,460	12/11/05	6.25%	
National Bank of Canada GIC	12,500	01/29/07	5.05%	
Various Membership Equities	7,925			
	$ 929,660			
Total Restricted Investments	$ 3,195,952			

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF INVESTMENTS
For the Year Ended March 31, 2003

	Amount	Maturity	Effective Rate	Coupon Rate
Unrestricted Investments				
Cash and Short-Term Chequing and Savings				
BMO Nesbitt Burns	$ 387			
Cash on Hand and Petty Cash	8,239			
CIBC (Mankota)	40,132			
CUCORP	1,105,375			
RBC Dominion Securities	33,618			
RBC Dominion Securities	1,770			
Royal Bank of Canada (Cabri)	56,256			
Royal Bank of Canada (Gull Lake)	53,856			
Royal Bank of Canada (Shaunavon)	2,394,403			
Royal Bank of Canada (Swift Current)	1,360			
Toronto Dominion Bank (Swift Current)	659,761			
	$ 4,355,157			
Term Deposits				
Canadian Master Trust	203,425	04/28/03		
Export Development Corp	447,798	06/18/03	2.90%	
Export Development Corp	347,540	06/18/03	2.87%	
	$ 998,763			
Long Term				
Province of Saskatchewan Savings Bonds 9	297,372	07/15/05	5.75%	5.75%
Province of Saskatchewan Savings Bonds VII	56,150	07/15/04	5.00%	5.00%
	$ 353,522			
Total Unrestricted Cash and Investments	$ 5,707,442			
Total Investments	$ 8,903,394			

Restricted Investments consist of: community generated funds transferred to the RHA and held in the Community Trust Fund (Schedule 3); replacement reserves maintained under mortgage agreements with Canada Mortgage and Housing Corporation (CMHC) and/or Saskatchewan Housing Corporation (A Division of Saskatchewan Municipal Government) (SHC) are held in the Capital Fund (Schedule 4); donations and internally restricted funds for the purchase of capital assets and education (Schedule 4).

Schedule 3

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF EXTERNALLY RESTRICTED FUNDS
(COMMUNITY TRUST FUND EQUITY)
For the Year Ended March 31, 2003

	Community Trust Fund Equity				
	Balance, Beginning of Year	Investment & Other Income	Expenditures	Transfer Between Funds	Balance, End of Year
Border Health Centre	$ 24,734	$ 667	$ -	$ (1)	$ 25,400
Cypress Lodge Nursing Home	145,066	8,372	-	(13,340)	140,098
Eastend Wolf Willow Health Centre	160,196	3,806	-	(4,673)	159,329
Herbert -Morse Union Hospital	99,233	235	-	(21,166)	78,302
Hodgeville Union Hospital	57,978	250	(57,442)	(786)	-
Leader Hospital	285,015	3,342	-	(160,378)	127,979
Mankota Union Hospital	200,858	1,020	-	(107,972)	93,906
Maple Creek Hospital	515,569	18,898	-	11,703	546,170
Shaunavon Hospital & Care Centre	238,338	6,953	-	(1)	245,290
Western Senior Citizens Home	23,017	211	-	-	23,228
	$ 1,750,004	$ 43,754	$ (57,442)	$ (296,614)	$ 1,439,702

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF EXTERNALLY RESTRICTED FUNDS
(CAPITAL AND OPERATING FUND EQUITY)
For the Year Ended March 31, 2003

	Capital Fund					
	Balance, Beginning of Year (Note 10)	Investment Income	Donations and Other Revenue	Expenses	Withdrawals	Balance, End of Year
Border Health Centre	$ 8,524	$ 217	$ 1,880	$ -	$ (3,004)	$ 7,617
Community Services	5,192	130	136	-	-	5,458
Cypress Lodge	4,471	127	2,856	-	(1,956)	5,498
Eastend Ambulance	5,994	167	1,511	(238)	-	7,434
Eastend Wolf Willow Health Centre	11,175	1,634	7,043	-	(3,072)	16,780
Leader Ambulance	31,426	1,027	13,700	(1,226)	946	45,873
Leader Hospital	3,521	104	1,906	-	(2,311)	3,220
Maple Creek Ambulance	17,157	1,905	78,319	-	-	97,381
Maple Creek Hospital	10,621	283	2,408	-	(1,352)	11,960
Shaunavon Ambulance	5,058	126	25	(29)	(25)	5,155
Shaunavon Hospital & Care Centre	172,855	2,733	21,114	-	(123,416)	73,286
Cypress Regional Health Authority	257,634	9,142	-	(3,180)	1,821	265,417
Western Senior Citizens Home	10,766	286	2,138	-	(500)	12,690
	$ 544,394	$ 17,881	$ 133,036	$ (4,673)	$ (132,869)	$ 557,769

	Operating Fund					
	Balance, Beginning of Year	Investment Income	Donations	Expenses	Withdrawals	Balance, End of Year
Climax Palliative Care Fund	$ 2,723	$ -	$ 30	$ (725)	$ (2,028)	$ -
Eastend Palliative Care Fund	827	-	195	-	-	1,022
Leader Palliative Care Fund	7,505	-	5,288	(5,608)	-	7,185
Maple Creek Palliative Care Fund	13,714	-	6,576	(552)	-	19,738
Shaunavon Palliative Care Fund	6,847	251	7,206	(12,037)	-	2,267
	$ 31,616	$ 251	$ 19,295	$ (18,922)	$ (2,028)	$ 30,212

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF INTERNALLY RESTRICTED FUND BALANCES
For the Year Ended March 31, 2003

	CMHC Replacement Reserves				
	Balance, Beginning of Year	Investment Income	Annual Allocation	Transfer to Investment in Capital Asset Fund Balance	Balance, End of Year
Cypress Lodge	$ 177,476	$ 4,786	$ -	$ (9,829)	$ 172,433
Gull Lake Special Care Centre	41,563	749	-	9,600	51,912
Western Senior Citizens Home	86,729	2,164	-	(23,838)	65,055
	$ 305,768	$ 7,699	$ -	$ (24,067)	$ 289,400

The RHA is required to maintain certain replacement reserves as a condition of receiving a subsidized mortgage or a mortgage interest subsidy from the Canada Mortgage and Saskatchewan Housing Corporation.

The above schedule shows the changes in these reserve balances during the year.

	Capital Fund					
	Balance, Beginning of Year	Investment and Other Income	Capital Grant Funding	Expenses	Transfer to Investment in Capital Asset Fund Balance	Balance, End of Year
	(Note 10)					
Shaunavon Hospital & Care Centre	$ 180,000	$ -	$ -	$ -	$ (180,000)	$ -
Cypress Regional Health Authority	839,872	54,187	47,000	(322,871)	-	618,188
Eastend Wolf Willow Health Centre	48,656	1,281	-	(1,338)	-	48,599
Leader Hospital	574,974	-	-	-	(574,974)	-
	$ 1,643,502	$ 55,468	$ 47,000	$ (324,209)	$ (754,974)	$ 666,787

	Operating Fund				
	Balance, Beginning of Year	Investment Income	Other Receipts	Withdrawals	Balance, End of Year
	(Note 10)				
Cypress Regional Health Authority	$ 89,230	$ 1,886	$ 5,000	$ (2,242)	$ 93,874
Information Technology Reserve	81,383	-	-	(37,878)	43,505
Home Care Stabalization	253,174	-	-	(30,169)	223,005
Addiction Services	6,844	-	-	-	6,844
	$ 430,631	$ 1,886	$ 5,000	$ (70,289)	$ 367,228

CYPRESS REGIONAL HEALTH AUTHORITY
SCHEDULE OF RESTRICTED FUND BALANCES
For the Year Ended March 31, 2003

	Capital Fund 2003	Community Trust Fund 2003 (Schedule 3)	Total 2003	Total 2002 (Note 10)
REVENUES				
Saskatchewan Health - General Revenue	$ 640,210	$ -	$ 640,210	$ 915,945
Other Provincial Revenue	-	-	-	-
Long-term resident and respite income	-	-	-	-
Home based services - client fees	-	-	-	-
Emergency response service fees	50,312	-	50,312	56,889
CMHC mortgage subsidies	-	-	-	-
Federal Funding	-	-	-	-
Out-of-province charges & third party reimbursements	-	-	-	-
Donations	174,373	-	174,373	244,117
Investment Income	25,691	43,754	69,445	80,842
Ancillary operations - income	-	-	-	-
Research grants	-	-	-	-
Other	22,123	-	22,123	14,469
	912,709	43,754	956,463	1,312,262
EXPENSES				
Acute services	631,535	-	631,535	648,083
Specialized hospital services	-	-	-	-
Supportive care services	951,193	-	951,193	895,053
Grants to affiliates:				
Acute services	-	-	-	-
Supportive care services	61,478	-	61,478	85,917
Home based services	73,141	-	73,141	66,479
Health Improvement Initiatives	-	-		-
Community health and wellness centres	120,641	-	120,641	137,682
Rural health initiatives	1,502	-	1,502	1,610
Other	-	-	-	-
Community care initiatives	376	-	376	402
Emergency response services	71,688	-	71,688	72,480
Addictions services	4,392	-	4,392	5,097
Community health services	39,321	-	39,321	41,061
Mental health services	61,498	-	61,498	74,015
Rehabilitation services	376	-	376	8,248
Ancillary operations	375	57,442	57,817	402
Total expenses (Schedule 1)	2,017,516	57,442	2,074,958	2,036,529
(Deficiency) excess of revenues over expenses	(1,104,807)	(13,688)	(1,118,495)	(724,267)
Fund balances, beginning of year	28,693,015	1,750,004	30,443,019	30,543,837
Interfund transfers (Note 16)	427,067	(296,614)	130,453	623,449
Fund balances, end of year	$ 28,015,275	$ 1,439,702	$ 29,454,977	$ 30,443,019

Notes

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